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S E C R E T SECTION 01 OF 03 BRASILIA 000715

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SUBJECT: BRAZIL: AMBASSADOR'S 14 MARCH MEETING WITH FM

AMORIM

- REF: A. (A) DANILOVICH-NORIEGA TELCON 14 MARCH 05

 1B. (B) DEPARTMENT WHA/BSC -- EMBASSY E-MAIT (B) DEPARTMENT WHA/BSC -- EMBASSY E-MAILS 14 MÀRCH 05
 - ¶C. (C) STATE 43965
 - TD. (D) BRASILIA 574
 - TE. (E) BRASILIA 660

Classified By: AMBASSADOR JOHN J. DANILOVICH. REASONS: 1.4 $\,$ (B)(D).

11. (C) Introduction. Ambassador was called for a one-on-one meeting with Foreign Minister Amorim on the afternoon of 14 Amorim focused initially on reiterating his strong interest in meeting soon with Secretary Rice, in spite of unsuccessful efforts to schedule a Washington meeting in late March or mid April. (Amorim said he may cancel his April trip to Washington in light of the Secretary's unavailability on 18-19 April, when Amorim had considered combining a call on her with participation at a World Bank meeting on Haiti.) Amorim said that he and President Lula da Silva believe it would be important and highly positive for bilateral relations if the Secretary could visit Brazil soon, and he expressed the hope that she could stop here en route to or from the Community of Democracies summit in Chile in late April. Amorim then noted Ambassador's recent meetings with Deputy Foreign Minister Guimaraes (ref E) and Amorim's chief of Staff Patriota (ref D), and reviewed key issues from those discussions with Ambassador (per below). End introduction

VENEZUELA

- $\P2.$ (S) Ambassador outlined points (refs A-C) on the USG's growing concern about Chavez's rhetoric and actions, and stressed that the USG increasingly sees Chavez as a threat to the region. Per refs, he asked that FM Amorim consider institutionalizing a more intensive political engagement between the USG and GOB on Chavez, and standing up a dedicated intelligence-sharing arrangement. FM Amorim was clear in his response: "We do not see Chavez as a threat." clear in his response: Amorim said that Chavez has been democratically elected (in a general election that was reaffirmed by a referendum), enjoys substantial domestic support, is a popular figure on the international left and is leader of a major power on the continent. For those reasons, "we have to work with him and do not want to do anything that would jeopardize our relationship with him," Amorim affirmed.
- 13. (S) Amorim said the GOB would welcome intensifying its political dialogue with the U.S. on Chavez, but has no interest in intelligence sharing (although Amorim allowed that the GOB would be willing to look at any intelligence we wished to provide unilaterally). Describing Brazil's relationship with Venezuela as "sensitive," Amorim said the GOB needed to take care not to take steps (e.g., intelligence activity with the USG) that could undermine its credibility with Chavez and undercut the GOB's ability to influence him in a more positive direction. Amorim said that he did not want to exaggerate the importance of Brazil's role in curbing Chavez's more extreme behaviors, but in example Amorim noted Brazil's work with the Friends Group (where he said Brazil weathered criticism from various sides to produce a balanced outcome), Lula's recent suggestion to Chavez in a meeting in Uruguay that he tone down his rhetoric, and also told a story of how Lula had personally persuaded Chavez not to go swimming at a Chilean beach where Chavez intended to proclaim to gathered press that he was bathing in a spot which should be Bolivia's coastline on the Pacific. Amorim also noted that the meeting between Presidents Lula, Chavez, Uribe and Zapatero scheduled for 29 March may occur in the Brazilian Amazon frontier town of Santa Helena for a discussion of economic integration (Note: This does not track with information from Lula's foreign affairs staff, who recently told PolCouns that the meeting would focus on counternarcotics and border security issues. End note.)

BOLIVIA

(S) Segueing into a discussion of Bolivia, Amorim said that Lula had been in direct contact with opposition leader Evo Morales in recent days. Lula and the GOB are trying to persuade Morales that he needs to act in a democratic fashion, Amorim said, noting that, as with Chavez, it must be understood that Morales has "political legitimacy," with popular support among a significant percentage of Bolivia's population. The USG, Brazil and others need to "take a steady and balanced approach" in supporting democracy in Bolivia in the next crucial weeks, Amorim added. The economic exposure of Brazilian companies in Bolivia, along with the threat posed to regional stability by unrest there, make developments in Bolivia of vital interest to Brazil, Amorim said.

НАТТТ

15. (SBU) Affirming the USG's support and gratitude for Brazil's leadership in the Haiti mission, Ambassador provided ref A invitation for Brazil to meet with the U.S. and Canada at the assistant secretary level, along with UN senior representative Valdes in Port-au-Prince in coming weeks to discuss cooperation in assistance projects and enhancing political dialogue. Amorim immediately agreed, and said he would designate a representative asap (Note: On the margins of the meeting with Amorim PolCouns spoke briefly with Ambassador Eduardo Felicio, the ministry's lead officer on political issues in the Haiti mission. Felicio indicated that either he or a senior GOB development official would likely represent Brazil at the proposed meeting. End note.) Amorim took the opportunity to affirm to Ambassador in strong terms that the GOB "has no intention of downgrading its commitment to Haiti; on the contrary, we plan to bolster our presence."

SOUTH AMERICA-ARAB SUMMIT

16. (C) Amorim told Ambassador that the GOB intended to do all it could to produce a balanced summit statement that would use language of existing UNSC resolutions for any passages dealing with political issues. Amorim also noted that in his meetings with Syria's foreign minister and President Assad in Damascus, Amorim had urged Syrian compliance with UNSCR 1559 (even though Brazil abstained on that vote). Amorim claimed that, even before Syria publicly announced its pull-back in Lebanon, Assad had told Amorim in their meeting that he intended to withdraw Syrian forces from Lebanon, although Amorim said he did not claim to take credit for Assad's decision. Ambassador chided Amorim for Brazil's abstention on 1559 and post facto commitment to Lebanese democracy, at which Amorim smiled. Amorim reiterated that his recent Middle East trip had been focused on providing invitations to Arab participants in the summit, that he had no intention of slighting Israel and would be visiting Israel in June.

FTAA

17. (SBU) Ambassador expressed disappointment that Brazil had canceled a March meeting of the FTAA co-chairs, but Amorim emphasized that the GOB had sought only a postponement to early April, so that Amorim would have the opportunity to consult with Brazil's negotiator Bahadian and also with Mercosul partners in advance of the co-chairs meeting. He reiterated that Brazil "wants to remain within the Miami framework," even though Brazil sees some recent USG actions as inconsistent with that goal (e.g., the U.S. approach to IPR and possible cross retaliation). Musing that Brazil is "happy enough to say that the negotiations are under an FTAA umbrella," Amorim opined that what is actually happening now is a Mercosul -U.S. bilateral trade negotiation, since the U.S. "has already executed bilateral agreements with everyone else."

INSS/ATLANTA CONSULATE

18. (SBU) Amorim understood the two issues: property sales and INSS payments should be delinked. However, he added that if the U.S. can provide general language in an agreement that reflects a U.S. intention to pay past USG debts to Brazil's social security system or some other acknowledgment that accomplishes that purpose, a solution can be reached. He said "it is in your interest for Brazil to have a consulate in Atlanta," reflecting his understanding that the USG is using delay of approval for the new consulate as leverage to press for a solution on the USG property problem. Ambassador noted that this has been a long-standing issue that was an administrative and financial impediment to our diplomatic mission in Brazil, and that the time has come to solve this matter. Amorim seemed good natured and optimistic about resolving the question with some type of appropriate agreement regarding the USG "intention" to deal with its INSS obligations.
TSA/Alcantara

SIPDIS

19. (SBU) Amorim also said that the GOB is close to being ready to engage with the USG on revision of the 2000 bilateral Technology Safeguards Agreement for participation of U.S. firms in commercial space launches at the Alcantara facility in northern Brazil. Amorim noted two specific issues -- language referring to safeguard agreements of other

countries working at Alcantara and USG requirements on prohibiting launches by states accused of supporting terrorism - as areas where the GOB and USG may need to find new common language for the text.

110. (S) Comment: Amorim made it very clear that the GOB is not buying into our categorization of Chavez as a significant threat to the region, to be treated accordingly. The GOB sees him as a legitimate, democratically- elected figure (as is also Evo Morales, in the GOB's view) and Brazil is committed to working closely with Chavez, ostensibly to ameliorate his more extreme behavior by involving him in interdependent economic and political relationships. Brazil seems to believe that is the best route to enhancing regional stability. Amorim's flat rejection of intelligence sharing was balanced by his willingness to engage more intensely with us on a political level in approaching Venezuela, and we should look for ways to exploit that opening in making our case that Chavez represents a danger. Providing the GOB with more detailed information on human rights violations and repressive actions within Venezuela, as well as any information we can share about Chavez-backed mischief in other countries (even if that means offering intelligence unilaterally) can be part of the political engagement. On a more positive note, Amorim was forward-leaning on the two key bilateral issues discussed — INSS/U.S. property and the Alcantara TSA — and seems committed to working on resolutions in the near future.

Danilovich